

ANDERSON EXHIBIT 6K

CIVIL ACTION NO. 00 CV10698 MEL

Defendant ROXANE MEPERIDINE 100 mg Tablets 100s 00054-4596-25					
Year	False "AWP" Reported Through Red Book	Medispan "AWP"	Texas "WEAC" Medicaid Reimbursement Based On False Reported Prices**	Relator's Cost Contract Price	Invoice Price to Wholesaler
2002	\$130.55	\$130.55		\$45.40	\$73.41
2003	\$130.55	\$130.55	\$77.20	\$44.95	

** Amounts contained in the Texas WEAC (Wholesale Estimated Acquisition Cost) reimbursement column also reflect the fact that the Defendant's price and cost representations were falsely inflated. See paragraphs 112 - 114 herein.

Defendant ROXANE MEPERIDINE 50 mg Tablets 100s 00054-4595-25					
Year	False "AWP" Reported Through Red Book	Medispan "AWP"	Texas "WEAC" Medicaid Reimbursement Based On False Reported Prices **	Relator's Cost Contract Price	Invoice Price to Wholesaler
1993	\$13.03	\$13.63			
1994	\$13.63	\$15.23			
1995		\$68.63			
1996		\$68.63			
1997		\$68.63			
1998	\$68.63	\$68.63			\$45.30
1999	\$68.63	\$68.63	\$40.59		\$45.30
2000	\$68.63	\$68.63	\$40.59	\$28.76	\$38.60
2001	\$68.63	\$68.63	\$40.59	\$28.76	\$38.60
2002	\$68.63	\$68.63		\$28.76	\$38.60
2003	\$68.63	\$68.63	\$40.59	\$26.39	\$45.30

** Amounts contained in the Texas WEAC (Wholesale Estimated Acquisition Cost) reimbursement column also reflect the fact that the Defendant's price and cost representations were falsely inflated. See paragraphs 112 - 114 herein.

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256. As a result of ROXANE's actions alleged herein, the UNITED STATES has sustained damages, and ROXANE is liable to the United States for civil penalties and treble damages as provided by False Claims Act.

**SECTION NO. 31
THE SPECIFIC FALSE PRICE AND COST
REPRESENTATIONS OF DEFENDANT
SCHEIN AS TO MEDICAID**

257. From on or before December 31, 1994 and continuing through the present date, SCHEIN knowingly caused Medicaid to pay false or fraudulent claims for prescription drugs, including those specified in this Section, and further made or used false records or statements to get such false or fraudulent claims paid or approved. As a result of the said actions of SCHEIN and those persons and entities acting directly or indirectly in concert with SCHEIN, Medicaid paid grossly excessive, unreasonable and unlawful amounts for claims for the drugs, including those specified in this Section. The acts committed by SCHEIN that caused Medicaid to pay or approve said false or fraudulent claims included, but were not necessarily limited to, knowingly making false or fraudulent representations about prices and costs of the drugs, including those specified in this Section, which SCHEIN knew would be utilized by Medicaid in paying or approving claims for such drugs and using the inflated Spread created by its false representations of prices and costs as a financial inducement to increase or maintain sales and marketshare of those drugs. Each

of SCHEIN's representations was utilized Medicaid in paying or approving claims for the drugs, including those specified in this Section.

258. During the entire period of time specified in this section, SCHEIN knowingly caused its false or fraudulent price and cost representations to be reported by Red Book, Blue Book and First DataBank's Automated Services and Medispan and further made or used false records or statements regarding the prices and costs of its drugs, including those specified in this Section and submitted same to the Medicaid. SCHEIN made and/or caused to be made approximately 64,382,634 false statements in the form of false or fraudulent price and costs representations to the state Medicaid Programs.

259. By way of example, SCHEIN's price and cost representations for certain of the drugs in question, as reported by SCHEIN are shown in the following chart. In comparison, the amount listed under the Relator's Cost column reflects the actual contract prices that were available to the Relator for the listed drugs. The column "invoice price to wholesaler" represents the prices listed as invoice prices by one or more major wholesalers such as McKesson or Bergen Brunswig and available to the Relator through catalogs or computer purchasing software. As a very small infusion pharmacy, the Relator did not receive the lowest prices available to volume purchasers. Accordingly, in many instances the cost to Providers for the drugs was significantly lower than that paid by the Relator. For Providers that paid less, the Spread on the drugs was correspondingly greater than the Spread on the same drugs available to the Relator. A listing of drugs with respect to which SCHEIN knowingly caused Medicaid to pay falsely inflated reimbursement amounts by

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reporting falsely inflated drug costs and prices is contained in **Exhibit "1"** (Medicaid) attached hereto. Attached as **Exhibits "9" and "10"** are charts showing SCHEIN's WACs and WEACs for certain of the drugs in question.

Defendant SCHEIN ATENOLOL 50mg, 100s 00364-2513-01					
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Texas "WEAC" Medicaid Reimbursement Based On False Reported Prices **	Relator's Cost Contract Price	Invoice Price to Wholesaler
1993	\$61.50	\$61.50			
1994	\$61.50	\$61.50			\$5.21
1995	\$61.50	\$67.53	\$3.62	\$3.07	\$3.23
1996	\$67.53	\$67.53	\$3.62	\$3.07	\$3.23
1997	\$67.53	\$67.53	\$3.62		\$3.40
1998	\$67.53	\$67.53	\$3.62		\$3.40
1999	\$67.53	\$67.53	\$3.62		\$3.40
2000	\$67.53	\$67.53	\$3.62	\$1.93	\$3.40
2001	\$67.53	\$67.53	\$3.62	\$1.93	\$3.40

** Amounts contained in the Texas WEAC (Wholesale Estimated Acquisition Cost) reimbursement column also reflect the fact that the Defendant's price and cost representations were falsely inflated. See paragraphs 112 - 114 herein.

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Defendant SCHEIN CYCLOBENZAPRINE HCL 10mg, 1000s 00364-2348-02						
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Medispan "AWP"	Florida Medicaid Reimbursement Based On False Reported "WAC" **	Relator's Cost <u>Contract</u> Price	Invoice Price to Wholesaler
1994	\$639.75	\$639.75	\$639.75		\$174.99	
1995	\$639.75	\$702.45	\$702.45		\$110.67	
1996	\$702.45	\$702.45	\$760.00		\$90.25	
1997	\$745.00		\$760.00	\$67.14	\$28.31	
1998	\$745.00		\$760.00	\$67.14	\$28.31	
1999	\$760.00		\$760.00	\$53.71		
2000	\$745.00		\$760.00	\$53.71	\$25.35	\$50.48
2001	\$879.10		\$879.10	\$53.71	\$25.35	\$59.56
2002	\$879.10		\$879.10		\$25.35	\$59.56
2003	\$1,091.27		\$1,091.27			\$197.30

** Amounts contained in the Florida Medicaid reimbursement column reflect the falsely inflated reported First DataBank WAC costs because Florida's reimbursement methodology for the years listed in each chart was WAC (as reported in First DataBank) plus 7%

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Defendant SCHEIN PROPRANOLOL HCL 40mg, 1000s 00364-0758-02						
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Medispan "AWP"	Texas "WEAC" Medicaid Reimbursement Based On False Reported Prices **	Relator's Cost Contract Price	Invoice Price to Wholesaler
1993	\$58.25	\$58.25	\$58.25			
1994	\$58.25	\$58.25	\$58.25			
1995	\$58.25	\$58.25	\$58.25			
1996	\$67.15	\$67.15	\$67.15 \$81.92		\$7.28	
1997	\$134.29		\$134.29		\$7.28	
1998	\$134.29		\$226.73		\$7.28	
1999	\$283.46		\$283.46	\$17.69	\$10.58	\$16.63
2000	\$283.46		\$283.41	\$17.69	\$11.27	\$16.63
2001	\$376.77		\$376.77	\$24.77	\$17.49	\$23.56
2002	\$376.77		\$376.77	\$24.77	\$17.49	\$23.56

** Amounts contained in the Texas WEAC (Wholesale Estimated Acquisition Cost) reimbursement column also reflect the fact that the Defendant's price and cost representations were falsely inflated. See paragraphs 112 - 114 herein.

260. As a result of SCHEIN's actions alleged herein, the UNITED STATES has sustained damages, and SCHEIN is liable to the United States for civil penalties and treble damages as provided by False Claims Act.

**SECTION NO. 32
THE SPECIFIC FALSE PRICE AND COST
REPRESENTATIONS OF DEFENDANT
SMITHKLINE AS TO MEDICARE AND MEDICAID**

261. From on or before December 31, 1995 and continuing through the present date, SMITHKLINE knowingly caused Medicare/Medicaid to pay false or fraudulent claims for prescription drugs, including those specified in this Section, and further made or used false records or statements to get such false or fraudulent claims paid or approved. As a result of the said actions of SMITHKLINE and those persons and entities acting directly or indirectly in concert with SMITHKLINE, Medicare/Medicaid paid grossly excessive, unreasonable and unlawful amounts for claims for the drugs, including those specified in this Section. The acts committed by SMITHKLINE that caused Medicare/Medicaid to pay or approve said false or fraudulent claims included, but were not necessarily limited to, knowingly making false or fraudulent representations about prices and costs of the drugs, including those specified in this Section, which SMITHKLINE knew would be utilized by Medicare/Medicaid in paying or approving claims for such drugs and using the inflated Spread created by its false representations of prices and costs as a financial inducement to increase or maintain sales and marketshare of those drugs. Each of SMITHKLINE's representations was utilized by Medicare/Medicaid in paying or approving claims for the drugs, including those specified in this Section.

262. During the entire period of time specified in this section, SMITHKLINE knowingly caused its false or fraudulent price and cost representations to be reported by Red Book, Blue Book and First DataBank's Automated Services and Medispan and further

made or used false records or statements regarding the prices and costs of its drugs, including those specified in this Section and submitted same to the Medicare/Medicaid. SMITHKLINE made and/or caused to be made approximately 46,484 false statements in the form of false or fraudulent price and costs representations to the state Medicaid Programs and the Medicare Program.

263. By way of example, SMITHKLINE's price and cost representations for certain of the drugs in question, as reported by SMITHKLINE are shown in the following chart. In comparison, the amount listed under the Relator's Cost column reflects the actual contract prices that were available to the Relator for the listed drugs. The column "invoice price to wholesaler" represents the prices listed as invoice prices by one or more major wholesalers such as McKesson or Bergen Brunswig and available to the Relator through catalogs or computer purchasing software. As a very small infusion pharmacy, the Relator did not receive the lowest prices available to volume purchasers. Accordingly, in many instances the cost to Providers for the drugs was significantly lower than that paid by the Relator. For Providers that paid less, the Spread on the drugs was correspondingly greater than the Spread on the same drugs available to the Relator. A listing of drugs with respect to which SMITHKLINE knowingly caused Medicare/Medicaid to pay falsely inflated reimbursement amounts by reporting falsely inflated drug costs and prices is contained in **Exhibits "1"** (Medicaid) and **"2"** (Medicare/Medicaid) attached hereto.

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Defendant SMITHKLINE GRANISETRON (KYTRIL) 1 mg Tablets 2's 00029-4151-39					
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Texas "WEAC" Medicaid Reimbursement Based On False Reported Prices **	Relator's Cost Contract Price	Invoice Price to Wholesaler
1995	\$78.75			\$63.40	
1996	\$78.75	\$78.75		\$63.40	\$63.00
1997	\$82.55			\$66.04	\$68.40
1998	\$85.50		\$76.25	\$66.04	\$68.40
1999	\$89.70		\$79.99	\$68.40	\$75.28
2000	\$94.10		\$79.99	\$67.10	\$80.17
2001	\$94.10		\$79.99	\$67.10	\$80.17
2002	\$94.10			\$68.40	
2003	\$94.10			\$68.40	\$75.28

** Amounts contained in the Texas WEAC (Wholesale Estimated Acquisition Cost) reimbursement column also reflect the fact that the Defendant's price and cost representations were falsely inflated. See paragraphs 112 - 114 herein.

264. As a result of SMITHKLINE's actions alleged herein, the UNITED STATES has sustained damages, and SMITHKLINE is liable to the United States for civil penalties and treble damages as provided by False Claims Act.

**SECTION NO. 33
THE SPECIFIC FALSE PRICE AND COST
REPRESENTATIONS OF DEFENDANT
TEVA AS TO MEDICAID**

265. From on or before August 1, 1995 and continuing through the present date, TEVA knowingly caused Medicaid to pay false or fraudulent claims for prescription drugs, including those specified in this Section, and further made or used false records statements to get such false or fraudulent claims paid or approved. As a result of the said actions of TEVA and those persons and entities acting directly or indirectly in concert with TEVA, Medicaid paid grossly excessive, unreasonable and unlawful amounts for claims for the drugs, including those specified in this Section. The acts committed by TEVA that caused Medicaid to pay or approve said false or fraudulent claims included, but were not necessarily limited to, knowingly making false or fraudulent representations about prices and costs of the drugs, including those specified in this Section which TEVA knew would be utilized by Medicaid in paying or approving claims for such drugs and using the inflated spread created by its false representations of prices and costs as a financial inducement to increase or maintain sales and marketshare of those drugs. Each of TEVA'S false representations was utilized by Medicaid in paying or approving claims for the drugs, including those specified in this Section.

266. During the entire period of time specified in this Section, TEVA knowingly caused its false or fraudulent price and cost representations to be reported by the

recognized price publishing compendia known as Red Book, Blue Book and First DataBank's Automated Services and Medi-Span and further made or used false records or statements regarding the prices and costs of its drugs, including those specified in this Section and submitted same to Medicaid. TEVA made or caused to be made approximately 138,280,250 false statements in the form of false or fraudulent price and cost representations to the state Medicaid Programs.

267. By way of example, TEVA'S price and cost representations for certain of the drugs in question, as reported by TEVA are shown in the following chart. In comparison, the amount listed under the Relator's Cost column represents the actual contract prices that were available to the Relator for the listed drugs. The column "invoice price to wholesaler" represents the prices listed as invoice prices by one or more major wholesalers such as McKesson or Bergen Brunswig and available to the Relator through catalogs or computer purchasing software. As a very small infusion pharmacy, the Relator did not receive the lowest prices available to volume purchasers. Accordingly, in many instances the cost to Providers for the drugs was significantly lower than that paid by the Relator. For Providers that paid less, the spread on the drugs was correspondingly greater than the spread on the same drugs available to the Relator. A listing of drugs with respect to which TEVA knowingly caused Medicaid to pay falsely inflated reimbursement amounts by reporting falsely inflated drug costs and prices is contained in **Exhibit "1"** (Medicaid only) attached hereto and incorporated herein by reference.

Defendant TEVA PROPOXYPHENE HCL 65mg, 1,000s NDC # 00093-0741-10						
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Medispan "AWP"	False Direct Price Reported Through FDB or Blue Book	<u>Relator's Cost</u> <u>Contract Price</u>	Invoice Price to Wholesaler
1993	\$37.50	\$37.50	\$37.50			
1994	\$37.50	\$37.50	\$37.50			\$28.88
1995	\$37.50	\$37.50	\$48.40	\$24.54	\$18.90	\$20.80
1996	\$48.40	\$48.40	\$48.40	\$24.54	\$18.90	\$20.80
1997	\$48.40		\$48.40			\$23.41
1998	\$48.40		\$48.40			\$23.41
1999	\$48.40		\$303.50			\$69.50
2000	\$303.50		\$303.50			\$70.32
2001	\$303.50		\$303.50		\$56.25	\$70.32
2002			\$303.50		\$56.25	\$70.32
2003			\$303.50			
2004			\$303.50		\$211.41	

268. As a result of TEVA'S actions as alleged herein, the UNITED STATES has sustained damages, and TEVA is liable to the United States for civil penalties and treble damages as provided by the False Claims Act.

**SECTION NO. 34
THE SPECIFIC FALSE PRICE AND COST
REPRESENTATIONS OF DEFENDANT
UDL AS TO MEDICARE AND MEDICAID**

269. From on or before August 1, 1995 and continuing through the present date, UDL knowingly caused Medicare/Medicaid to pay false or fraudulent claims for prescription drugs, including those specified in this Section, and further made or used false records or statements to get such false or fraudulent claims paid or approved. As a result of the said actions of UDL and those persons and entities acting directly or indirectly in concert with UDL, Medicare/Medicaid paid grossly excessive, unreasonable and unlawful amounts for claims for the drugs, including those specified in this Section. The acts committed by UDL that caused Medicare/Medicaid to pay or approve said false or fraudulent claims included, but were not necessarily limited to, knowingly making false or fraudulent representations about prices and costs of the drugs, including those specified in this Section, which UDL knew would be utilized by Medicare/Medicaid in paying or approving claims for such drugs and using the inflated Spread created by its false representations of prices and costs as a financial inducement to increase or maintain sales and marketshare of those drugs. Each of UDL's representations was utilized by Medicare/Medicaid in paying or approving claims for the drugs, including those specified in this Section.

270. During the entire period of time specified in this section, UDL knowingly caused its false or fraudulent price and cost representations to be reported by Red Book, Blue Book and First DataBank's Automated Services and Medispan and further made or

used false records or statements regarding the prices and costs of its drugs, including those specified in this Section and submitted same to the Medicare/Medicaid. UDL made and/or caused to be made approximately 14,996,585 false statements in the form of false or fraudulent price and costs representations to the state Medicaid Programs and the Medicare Program.

271. By way of example, UDL's price and cost representations for certain of the drugs in question, as reported by UDL are shown in the following chart. In comparison, the amount listed under the Relator's Cost column reflects the actual contract prices that were available to the Relator for the listed drugs. The column "invoice price to wholesaler" represents the prices listed as invoice prices by one or more major wholesalers such as McKesson or Bergen Brunswig and available to the Relator through catalogs or computer purchasing software. As a very small infusion pharmacy, the Relator did not receive the lowest prices available to volume purchasers. Accordingly, in many instances the cost to Providers for the drugs was significantly lower than that paid by the Relator. For Providers that paid less, the Spread on the drugs was correspondingly greater than the Spread on the same drugs available to the Relator. A listing of drugs with respect to which UDL knowingly caused Medicare/Medicaid to pay falsely inflated reimbursement amounts by reporting falsely inflated drug costs and prices is contained in **Exhibits "1" (Medicaid) and "2" (Medicare/Medicaid)** attached hereto.

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UDL AMITRIPTYLINE 75mg, UD 100s NDC # 51079-0147-20						
Year	False "AWP" Reported Through Red Book	False "AWP" Reported Through FDB Blue Book	Medispan "AWP"	False Direct Price Reported Through FDB or Blue Book	Relator's Cost <u>Contract Price</u>	Invoice Price to Wholesaler
1993	\$17.87	\$17.87	\$17.87	\$15.35		
1994	\$23.00	\$17.87	\$23.00	\$15.35		\$10.79
1995	\$23.00	\$23.00	\$23.00	\$15.35		\$8.63
1996	\$23.00	\$23.00	\$23.00	\$15.35		\$8.63
1997	\$23.00		\$23.00	\$15.35		\$8.63
1998	\$23.00		\$23.00	\$15.35		\$8.63
1999	\$23.00		\$23.00	\$15.35		\$8.63
2000	\$89.61		\$89.61	\$15.35		\$10.79
2001	\$89.61		\$89.61	\$71.69	\$6.10	\$10.79
2002	\$89.61		\$89.61	\$71.69	\$6.10	\$10.79
2003	\$89.61		\$89.61	\$15.35		\$16.01
2004			\$89.61		\$10.67	\$16.01

UDL PACLITAXIL 6mg/ml, 50mls NDC # 51079-0963-01					
Year	False "AWP" Reported Through Red Book	Medispan "AWP"	False Direct Price Reported Through FDB or Blue Book	Relator's Cost <u>Contract Price</u>	Invoice Price to Wholesaler
2001	\$1,725.10	\$1,725.10		\$1,144.64	
2002	\$1,725.10	\$1,725.10	\$1,378.00	\$702.90	\$1,467.57
2003	\$1,725.10	\$1,725.10	\$1,378.00	\$385.00	\$690.00
2004	\$1,725.10	\$1,725.10		\$210.00	\$318.15